

LEGISLATIVE RESEARCH COMMISSION

RESCUE SQUADS RETIREMENT

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INSTITUTE OF GOVERNMENT
UNIVERSITY OF NORTH CAROLINA

REPORT TO THE 1981 GENERAL ASSEMBLY OF NORTH CAROLINA

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PREFACE

The Legislative Research Commission, authorized by Article 6B of Chapter 120 of the General Statutes, is a general purpose study group. The Commission is cochaired by the Speaker of the House and the President Pro Tempore of the Senate and has five additional members appointed from each house of the General Assembly. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner" (G.S. 120-30.17(1)).

At the direction of the 1979 General Assembly, the Legislative Research Commission has undertaken studies of numerous subjects. These studies were grouped into broad categories, and each member of the Commission was given responsibility for one category of studies. The Cochairmen of the Legislative Research Commission, under the authority of General Statutes 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and of the public to conduct the studies. Cochairmen, one from each house of the General Assembly, were designated for each committee.

The Study of Rescue Squads Retirement Incentives was directed by House Joint Resolution 617, Resolution 63 of the 1979 Session Laws. (First Session, 1979.) The charge to the Committee in Section 1 of the Bill is to study the need for a fair and equitable

program of retirement incentives and to develop uniform standards for rescue squads. A copy of this Bill is found in Appendix A of this report together with membership lists of the Legislative Research Commission and the Committee on Rescue Squads' Retirement Incentives, and a list of witnesses who appeared before the Committee.

COMMITTEE PROCEEDINGS

The Legislative Research Commission's Committee on Rescue Squads' Retirement Incentives met six times during 1979 and 1980. The cochairmen, Representative Bob Etheridge and Senator Sam Noble convened the first meeting of the Committee on October 31, 1979. The history of the Committee was discussed with reference to House Joint Resolution 617, Resolution 63 of the 1979 Session Laws. See Appendix B. The bill had been introduced by Cochairman Etheridge who explained the purpose of the legislation. Cochairman Etheridge provided the Committee with several facts concerning rescue squads in North Carolina. There are over 250 rescue squads serving North Carolina that provide emergency medical treatment and ambulance service. Rescue squad members must receive 36 hours of rescue training and a minimum of 81 hours of emergency medical training. Representative Etheridge stated that the General Assembly expected the Committee to study the need for pension benefits for rescue squads to provide incentives for people to join rescue squads and for highly trained members to remain with their squads.

The tasks of the Committee were determined to be:

- (1) The development of uniform standards for membership in any pension plan.
- (2) The consideration of the possibility of double recovery or double benefits from an existing pension or retirement plan.
- (3) The resolving of the problem of members who join the pension plan and are immediately eligible for a benefit.
- (4) The determination of whether benefits should be available to paid and volunteer rescue squad members.
- (5) The determination of the number of rescue squad members

who are to be eligible for benefits under any proposed plan.

(6) The determination of the source of funding a pension or retirement plan.

The Committee received testimony from Mrs. Clara Jean Pittman of the Firemen's Pension Fund, State Auditor's Office. Mrs. Pittman gave the Committee a description of the Firemen's Pension Fund (FPF), the benefit available to firemen, the requirement of years of service and training and the method of funding the pension plan. See Appendix C. Mrs. Pittman stressed to the Committee that the FPF is not a retirement plan but a deferred compensation plan for public service.

Mrs. Pittman also discussed the Law Enforcement Officers', Firemen's Rescue Squad Workers' and Civil Air Patrol Members' Death Benefit Act, Article 12A of Chapter 143 of the General Statutes, which provides a \$25,000 benefit to rescue squad members who are killed in the line of duty. The benefit is awarded by the Industrial Commission to eligible members. Eligibility is determined by the Auditor's Office from certification made to Mrs. Pittman's office by the rescue squads who meet the requirements of membership in the North Carolina Rescue Squads Association.

The Committee requested the staff to contact Mr. Roy Kane, Executive Secretary of the North Carolina Association of Rescue Squads, Inc., to determine the amount of interest among rescue squad members for a pension plan.

The Committee met for the second time on July 9, 1980. Mr. Roy Kane, Executive Secretary of the North Carolina Association of Rescue Squads, Inc., informed the Committee of the standards for membership in his Association. Mr. Kane described the standards for equipment,

personnel and training which must be met before a rescue squad may become a member. Mr. Kane also discussed the interest which rescue squad members have expressed in a pension plan of some type. He also expressed the need for a cost estimate for the member, the amount of prior service a member could purchase upon joining and the amount of any benefit, before the rescue squad members could make a determination as to whether they desired membership.

Various members of the Committee had been contacted by rescue squad members concerning the need for changes in the "Good Samaritan" law as it applies to them. The Committee requested the staff to work with Mr. Kane in developing a questionnaire to determine the amount of interest in a pension plan, what members would be willing to contribute and what benefit they would be interested in. The Committee also wanted to know how many squads have problems with the "Good Samaritan" law. Mr. Kane agreed to send out such a survey and tabulate the results.

The Committee then discussed the question of rescue squads not receiving fees for ambulance services. The suggestion was made that hospitals could charge and collect the ambulance fee from a patient receiving this service and then turn it over to the rescue squad which provided the service. The staff was asked to determine whether this was feasible and whether a statutory change was necessary.

The staff presented the results of a survey of the states to determine whether there are any pension plans for rescue squads. There are not any specific pension or retirement plans for rescue squad members. In many states rescue squad members are also firemen who are covered under a firemen's pension plan or retirement system. See Appendix D. The staff informed the Committee that there had been attempts in several states to establish pension plans for rescue

squad members but none had been successful.

The Committee discussed the possibility of amending the Firemen's Pension Fund to include rescue squad members and to include increased funding for the additional members. It was suggested that the Department of State Auditor be contacted along with the State Firemen's Association for comments on this proposal. The staff was directed to contact individuals in each office for comments and to give assurances that the Committee intended to be fair to the firemen and would maintain the financial integrity of the Firemen's Pension Fund.

The Committee met for the third time on August 28, 1980 and received the response to the survey by the Rescue Squads Association. Mr. Roy Kane, Executive Secretary, stated that the majority of the members were in favor of combining with the Firemen's Pension Fund and were willing to contribute up to \$10.00 per month for a benefit of up to \$100.00 per month. The majority favored a provision to allow purchase of prior service of between 10 and 20 years, and were concerned about the "Good Samaritan" law's application to rescue squad members. The survey results also indicated that a majority of rescue squads would not be interested in billing for ambulance services. Mr. Kane stated that there was a great deal of interest in the Committee's work and in a pension plan.

Mr. Henry Bridges, State Auditor, spoke about the Firemen's Pension Fund. He gave a brief history of the Firemen's Pension Fund and described the operation of the fund. See Appendix C. Mr. Bridges stated that in his opinion it would be a serious mistake to include rescue squad members in the Firemen's Pension Fund. He supports the establishment of a separate and independent fund for rescue squad members. Mr. Bridges presented an excerpt from the Firemen's Pension Fund Board meeting which endorsed a separate fund. See Appendix E. Mr. Bridges offered his support to the Committee in the establishment

of a pension fund for rescue squads. He suggested that a provision be included in any pension plan to prohibit a rescue squad member who is also a fireman from participating in both plans.

Mr. Horace Moore, Executive Secretary of the North Carolina Firemen's Association, stated that his Association agreed with Mr. Bridges that the Firemen's Pension Fund should not be open to rescue squad members, but does support the establishment of an independent pension fund for rescue squad members.

The Committee then began a discussion of the "Good Samaritan" laws as they pertain to rescue squad members. G.S.20-166(d) provides that anyone, regardless of his profession, who goes to the scene of a motor vehicle accident and gives aid, is protected from liability for acts of simple negligence. The individual who gives aid is only liable if he commits an act of gross negligence or intentional harm. This statute is designed to encourage laymen to give aid in situations where timeliness is often more important than professionalism.

G.S. 90-21.14 provides that anyone who gives aid in an emergency other than a motor vehicle accident is protected from liability for anything but gross negligence or intentional harm if he is not a professional health care provider. This specific exemption states that people who are rendering health care services in the normal and ordinary course of their business or profession are not relieved of liability for acts of simple negligence.

The staff informed the Committee that these "Good Samaritan" laws are intended to protect laymen, not skilled medical professionals, from civil liability, except in the case of motor vehicle accidents. The Committee discussed the problem of liability insurance for rescue squads as there had been confusion among the squads concerning the applicability of the statutes. The Committee decided to determine

whether the present statutes provide sufficient protection to rescue squads.

Mr. R.E. Keith, Fire Chief of the City of Raleigh, inquired of the Committee whether firemen who are also trained emergency medical technicians are covered by the "Good Samaritan" law when they respond to a fire call and provide emergency medical treatment. The Committee requested the staff to ask for an Attorney General's opinion on the status of firemen who are also emergency medical technicians under G.S. 90-21.14. See Appendix F.

The staff then responded to a question raised at the July 9, 1980 meeting concerning the charging of fees for ambulance service by rescue squads. The staff determined that there was no statutory prohibition against the charging of fees if the rescue squad's charter allowed such fees. There is, however, some confusion concerning this matter. The Committee requested staff to ask for an opinion of the Attorney General to clarify this matter so that it could be made part of the record of the Committee. See Appendix F.

The Committee then reviewed information provided by Mrs. Clara Pittman, Executive Secretary of the Firemen's Pension Fund, on the cost of allowing rescue squad members into the Firemen's Pension Fund. See Appendix G. Mrs. Pittman reported that, in her opinion, and based on the cost of allowing firemen to join the FPF, the cost of opening the FPF to rescue squads would be approximately \$1,750,000. The Committee discussed including rescue squad members in the FPF in spite of the objection of the State Auditor and Mr. Horace Moore of the State Firemen's Association, as a rescue squad worker or Emergency Medical Technician can be a member of the FPF if he is also a firemen, but not if he is solely an Emergency Medical Technician or or rescue squad worker.

The Committee then discussed various sources of funding and the fact that any appropriation to support a new pension fund or expanded membership in the Firemen's Pension Fund would have to come from the General Fund. The Committee directed the staff to determine the estimated additional revenues generated by the following:

(1) Accident and health insurance (additional 1% tax levied on all policies written by companies licensed to do business in North Carolina);

(2) Life insurance (additional 1% tax levied on all policies written by companies licensed to do business in North Carolina);

(3) Automobile liability insurance (additional 1% tax levied on all policies written by companies licensed to do business in North Carolina); and

(4) Automobile license plate (additional \$1.00 charge).

The Committee met for the fourth time on October 15, 1980 and received the staff's report of the responses to the letters to the Attorney General requesting clarification both of the "Good Samaritan" laws' coverage and of a rescue squad's ability to charge for ambulance services. See Appendix F. The Attorney General responded that the Non-profit Corporation Act does not prevent a rescue squad from charging fees, but that the squads' charters should contain a provision allowing this. The Committee decided that no further action was needed on this issue. The second opinion letter from the Attorney General concerned the "Good Samaritan" law as it relates to firemen who are also certified Emergency Medical Technicians. The Attorney General stated that there is an argument that such firemen are "course of business or profession" providers as contemplated by the statute and are not offered the protection of the statute. The Attorney General suggested that some clarification needed to be made and the Committee

directed the staff to present several options at the next meeting.

The staff then presented the information compiled by the Fiscal Research Division requested by the Committee at the August 28, 1980 meeting concerning tax revenues. See Appendix I. The Committee discussed the various rates and revenue generated and directed the staff to draft legislation to increase the tax on automobile insurance premiums on domestic companies from one percent (1%) to one and one-half percent (1.5%) so that all domestic companies would be taxed equally.

The staff then presented draft legislation to create a "North Carolina Rescue Squad Pension Fund." The Committee reviewed the draft and made several changes and asked that staff redraft the legislation for approval at the next meeting. See Appendix J.

The Committee met for the fifth time on November 12, 1980 and discussed the proposed legislation to create a Rescue Squad Pension Plan. As redrafted, no pension can begin earlier than July 1, 1986 and the effective date was changed to July 1, 1981. With these changes, the Committee approved the bill and directed staff to proceed with a draft of a tax increase to finance the fund. (See legislative Proposals I and II.)

The Committee decided that the proposed tax on domestic automobile liability insurance premiums would not yield sufficient additional monies to the General Fund to finance the Pension Fund and determined to increase by .5% the tax on automobile liability insurance premiums written by foreign companies as well. See Appendix K.

The staff presented several legislative options for clarifying and expanding "Good Samaritan" coverage. The first option would expand coverage to include all members of rescue squads, ambulance services and certified Emergency Medical Technicians. The second option, in staff's opinion merely clarifying existing law, would give "Good

Samaritan" coverage to firemen who are also certified Emergency Medical Technicians when they are responding to an emergency as firemen, not as health care providers. The third option in staff's opinion expanding existing law, would give "Good Samaritan" protection to all firemen regardless of whether they be Emergency Medical Technicians as long as they are working out of a fire station.

Both staff and Mr. Tom Harmelink of the Office of Emergency Medical Services agreed that "Good Samaritan" coverage should not be expanded and need not be clarified. "Good Samaritan" coverage is designed to encourage laymen to help in emergencies, not to protect trained medical professionals from liability incurred in the negligent practice of their profession. The Committee decided not to recommend any changes in the existing law, but to include the options presented in the Report to the Legislative Research Commission. (See Appendix J.)

The Committee met for the last time on December 2, 1980 and approved the report to the Legislative Research Commission.

FINDINGS

After having reviewed the information brought forth during its meetings, the Legislative Research Commission's Committee on Rescue Squads' Retirement Incentives makes the following findings:

Finding 1. The Committee finds that all the rescue squad workers of this State, whether paid or volunteer, full-time or part-time, provide vital and life-saving service to the citizens of this State and that this service is best performed by rescue squad workers who have been encouraged to remain with their rescue squads over the years, gathering experience as they continue in service.

Finding 2. The Committee finds that the establishment of a pension fund, the North Carolina Rescue Squad Pension Fund, like that of the North Carolina Firemen's Pension Fund, will provide a good incentive to rescue squad workers and, if funded in a similar manner to the Firemen's Pension Fund, will cost the State relatively little while providing a valuable benefit to our rescue squad workers, and in the alternative finds that with sufficient additional funding, the Firemen's Pension Fund could provide pensions for both rescue squad workers and firemen without loss of fiscal integrity.

Finding 3. The Committee finds that raising the tax on premiums written by both domestic and foreign automobile insurance .5% will generate funds sufficient to provide for the North Carolina Rescue Squad Pension Fund, that the automobile insurance premium taxes are most appropriate sources of funds in the General Fund for a pension for rescue squad workers as a great deal of the vital service provided by

rescue squad workers involves motor vehicle accidents and results in a significant saving of life and a concomitant reduction in insurance costs, and that the proposed increase of .5% will bring the domestic automobile insurance premium tax up to the same 1.5% rate of other domestic taxes.

Finding 4. The Committee finds that, although rescue squads throughout the State face serious financial problems regardless of how they are financed, rescue squads do not want to bill the public they serve for ambulance service they render.

Finding 5. The Committee finds that there is no need for either clarification or expansion of the current "Good Samaritan" law, and that rescue squad workers and Emergency Medical Technicians are proud of their medical training and desire to be held to the high standards of their profession.

RECOMMENDATIONS

The Legislative Research Commission's Committee on Rescue Squads' Retirement Incentives, after a review of the data collected by the Committee and in light of its findings, makes the following recommendations:

Recommendation 1. The General Assembly should enact legislation to set up a North Carolina Rescue Squad Pension Fund, similar to but separate from the Firemen's Pension Fund, administered by the State Auditor's Office as is the Firemen's Pension Fund, and available to all rescue squad workers who are eligible for the benefits provided by the "Law Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act," Article 12A, Chapter 143, §§ 143-166.2 through 143-166.5. (Legislative Proposal 1.)

Recommendation 2. The General Assembly should raise the tax on both foreign and domestic automobile insurance premiums .5%. The monies thus raised will provide additional funds to the General Fund to finance the North Carolina Rescue Squad Pension Fund. (Legislative Proposal 2.)

APPENDIX A

LEGISLATIVE RESEARCH COMMISSION MEMBERSHIP

House Speaker Carl J. Stewart, Jr.
Chairman

Representative Chris S. Barker, Jr.

Representative John R. Gamble, Jr.

Representative H. Parks Helms

Representative John J. Hunt

Representative Lura S. Tally

Senate President Pro Tempore
W. Craig Lawing, Chairman

Senator Henson P. Barnes

Senator Melvin Daniels, Jr.

Senator Carolyn Mathis

Senator R. C. Soles, Jr.

Senator Charles Vickery

LEGISLATIVE RESEARCH COMMISSION

Committee on

RESCUE SQUADS RETIREMENT INCENTIVES

Representative Chris S. Barker, Jr., LRC Member
P.O. Box 988
New Bern, North Carolina 28560

Representative Bobby R. Etheridge, Cochairman
P.O. Box 295
Lillington, North Carolina 27546

Senator Sam R. Noble, Cochairman
4330 Fayetteville Road
Lumberton, North Carolina 28355

Representative Aaron Fussell
1201 Briar Patch Lane
Raleigh, North Carolina 27609

Mr. J. K. Hoover, Jr.
Route 1, Box 43
Pineville, North Carolina 28134

Representative Ramey F. Kemp*
P.O. Box 361
Mocksville, North Carolina 27028

Mr. Howard A. Shaw
1109 South Andrews Avenue
Goldsboro, North Carolina 27530

Colonel Charles Speed
3222 Six Forks Road
Raleigh, North Carolina 27609

Senator James R. Turner
2003 Lafayette Avenue
Greensboro, North Carolina 27408

* Resigned effective November 12, 1980

WITNESSES APPEARING

Mr. T. P. Brendle
Fiscal Analyst
Fiscal Research Division
N.C. General Assembly
Raleigh, N. C. 27611

The Honorable Henry L. Bridges
State Auditor
Department of State Auditor
Raleigh, N. C. 27611

Mr. Tom Harmelink
Office of Emergency Medical Services
Department of Human Resources
Raleigh, N. C. 27611

Mr. Roy Kane, Executive Secretary
N. C. Rescue Squads' Association, Inc.
Elkin, N. C. 28621

Mr. R. E. Keith, Chief
City of Raleigh Fire Department
Raleigh, N. C. 27602

Mr. Horace Moore, Executive Secretary
N. C. State Firemen's Association

Mrs. Clara Pittman, Secretary
Firemen's Pension Fund
Department of State Auditor
Raleigh, N. C. 27611

APPENDIX B

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1979
RATIFIED BILL

RESOLUTION 63

HOUSE JOINT RESOLUTION 617

A JOINT RESOLUTION TO CREATE A LEGISLATIVE RESEARCH COMMISSION COMMITTEE TO STUDY THE RESCUE SQUADS OF NORTH CAROLINA IN ORDER TO DEVELOP A FAIR AND EQUITABLE PROGRAM OF RETIREMENT INCENTIVES.

Whereas, there are approximately 7,000 citizens of North Carolina who are members of the North Carolina State Association of Rescue Squads; and

Whereas, there are over 240 Rescue Squads serving the citizens of North Carolina; and

Whereas, Rescue Squads provide vital and various life-saving and life-sustaining services to all the citizens of North Carolina; and

Whereas, all members of the Rescue Squad are ready 24 hours a day to extract victims from automobile and truck wrecks, to scale towers to rescue injured workers, to recover drowning victims, to provide emergency medical treatment, to provide seventy percent (70%) of all ambulance service rendered in North Carolina, and in general, to save and sustain the lives of the citizens of North Carolina in any way the emergency demands; and

Whereas, Rescue Squad training demands many hours of specialized education, rescue training requiring 36 hours per year, emergency medical training requiring a minimum of 81 hours,

focusing on emergency childbirth, poison and fracture treatment, and treatment for cardiac arrest; and

Whereas, the North Carolina State Association of Rescue Squads has won several national and international awards, and runs the only volunteer mobile intensive care unit program in the United States, which program is made up of three units staffed by technicians with a minimum of 48 hours of training; and

Whereas, North Carolina has a vital interest in providing incentives to keep the highly trained members of the Rescue Squads serving the citizens of the State, as continuity of excellent service will not only cut down on training and equipment costs in those districts providing some funding for these Rescue Squads, but, more importantly, will result in experience service which will save and sustain more lives; and

Whereas, although the North Carolina State Association of Rescue Squads was incorporated in Winston-Salem in 1938, from that time to the present there has been no retirement incentive provided by the State analogous to that provided firemen, which would encourage continued, experienced service; and

Whereas, there is, at present, no available standardized information on financing of the many Rescue Squads, on property and equipment values and on individual member's training and service, that would enable a fair and equitable program of retirement incentives to be set up; and

Whereas, the Legislative Research Commission has recently studied the problem of firemen and law enforcement officers' retirement incentives, which study has resulted in

equitable modification of available programs; and

Whereas, the Legislative Research Commission alone has the expertise, the investigatory power, the staff and the funding to study all the Rescue Squads of this State, to examine the issue of retirement incentives, to develop a fair and equitable program of incentives, and to develop uniform standards by which each of the 7,000 members of the Rescue Squads of this State shall be fairly and equitably treated by the program developed; Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The Legislative Research Commission may study the Rescue Squads of this State in order to develop a fair and equitable program of retirement incentives and to develop uniform standards by which each of the 7,000 members of the Rescue Squads of this State shall be fairly and equitably treated by the program developed.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified,
this the 8th day of June, 1979.

JAMES C. GREEN

James C. Green

President of the Senate

CARL J. STEWART, JR.

Carl J. Stewart, Jr.

Speaker of the House of Representatives

APPENDIX C

NORTH CAROLINA FIREMEN'S PENSION FUND

The North Carolina Firemen's Pension Fund was first established in 1957. The General Assembly in 1957 created the North Carolina Firemen's Pension Fund and levied a 1% tax on fire insurance policy premiums for the purpose of supporting or funding the retirement benefits. The 1957 Act was declared unconstitutional.

In 1959 the General Assembly reenacted the Firemen's Pension Fund G. S. 118-18 through 118-32, and at the same time reenacted a law to continue a 1% tax on fire insurance premiums as a general fund revenue. An appropriation out of the general fund was made for the purpose of partially supporting or funding the North Carolina Firemen's Pension Fund. This along with \$5.00 per month paid by each member and the interest earned on the investments support the fund.

The 1959 Act was challenged and the Supreme Court in its decision in the case of Insurance Companies vs Gold, The Commissioner of Insurance, upheld the validity of the pension act and said in effect that this was deferred compensation for a public service.

The concept was firmly established by the Legislature that the revenue produced by the tax was to be put in the general fund, but that an appropriation in the amount closely equal to the amount of revenue produced by the tax would be appropriated for the support of the Firemen's Pension Fund.

Over a period of years there accumulated a deficit of \$1,800,000 in the amount of revenue produced by the tax and the amount of appropriation to support the Firemen's Pension Fund. The basic concept was reestablished in 1973 and 1974 when this \$1,800,000 deficit was appropriated and paid to the Firemen's Pension Fund. This appropriation enabled us to open the door for new members to participate in the fund who did not take advantage of membership when the fund was established.

The membership in this fund is predicated upon a fireman, whether he is a full time paid fireman or a voluntary fireman, being a member of a fire department that is rated by the rating bureau. This means that the department must have minimum amount of equipment and also a minimum of at least 36 hours a year of training per man. Also, those areas of North Carolina that are protected by a rated fire department pays much less premium on their fire insurance policies than in those areas wherein they are not protected by such a rated department. This has meant savings of sizeable amounts of money to the citizens throughout the state. The existence of the pension fund has been the impetus to get the number of rated departments increased from approximately 400 to 1,200 at the present time. The overall benefit of this additional fire protection and the additional training has meant a lot to everyone concerned.

Present total number of active contributing members is 9,235. Total number of retirees is 1,906. Total monthly benefits being paid is \$95,300.00. Chapter 926 of the Session Laws of 1977, provides that a fireman may retire at age 55 with 20 years of creditable fire service and receive \$50.00 per month for life.

In my opinion the Firemen's Pension Fund is one of the most far reaching and beneficial efforts on the part of the General Assembly that has been put into effect in recent years, when we consider the overall benefit to the people of North Carolina.

Under the reorganization act of 1971 the Firemen's Pension Fund was made a part of the State Auditor's office and the State Auditor is ex officio chairman of the Board and the other ex officio member is the Commissioner of Insurance. The Board has 3 other members appointed by the Governor, one of whom must be a paid fireman, one a voluntary fireman, and one representing the public at large.

The State Treasurer is the custodian of the funds and invests those funds not immediately needed for payment of benefits.

This fund is on an actuarial sound basis and in my opinion we can make the program work with the amount of funding that is produced by the tax on the fire insurance premiums.

At the time the Firemen's Pension Fund was created, it was the intent of the Legislature to give each volunteer fireman a meaningful amount in token of appreciation for past services rendered. This amount was to have been \$50.00. At that time, however, there were not sufficient funds available to give all retired firemen that amount, and a schedule was created to give the older firemen the full \$50.00 and the younger firemen a lesser amount until the fund was actuarially able to provide all firemen the full amount of \$50.00 with the required number of years. This has been accomplished. If the fund should ever grow to provide additional benefits, it is the feeling among the firemen that disabled firemen and widows of retired firemen should be given first consideration.

APPENDIX D

SURVEY OF RESCUE SQUADS
STANDARDS AND BENEFITS

STATE	STANDARDS	FUNDING	RETIREMENT	COMMENTS
Arizona	EMS certification standardized training and testing	Local Funding	For full time paramedics associated with fire department	
Arkansas	EMS standards through county government	County level service charge on tax notice		No standards or retirement for rescue squads
Colorado	Training curricula/certification of EMS	Federal Funds through State	If full time county employees of fire department	
Delaware	No state standards	County or Local	None	Generally handled by Volunteer Fire Departments
Georgia	N/R	Proposed legislation to fund by grant purchase of equipment	None	
Illinois	N/R	Non-public volunteer	None	
Indiana	EMS - Commission Standard for Ambulance certificate of EMT's	N/R	If state employees, local employees, or firefighters	
Louisiana	EMS - Ambulance certification	Parochial	Only if governmental employee	
Minnesota	Licensed by Department of Health EMS - Ambulances	State grants Federal grants County funds	For qualified firefighters	Pension benefits have been discussed but turned down
Missouri	N/R	N/R	Established ambulance districts as governmental units for membership in Local Employees Retirement System	

STATE	STANDARDS	FUNDING	RETIREMENT	COMMENTS
Montana	N/R	N/R	No benefits for volunteers unless firemen	
Nebraska	N/R	N/R	Firemen's retirement Not for volunteers	
Nevada	EMS-EMT standards set by Board of Health	Grant program from State	Only if public employees	
New Hampshire	EMS - Board to license, vehicles personnel; Hiring	State grants	None	
New Mexico	N/R	EMS Fund for Grants	None	
Ohio	Certification for EMT	Cities, Counties, Townships	Benefit if public employees or volunteer firefighter who works 250 hrs. or paid \$500 a year	
Oregon	Certificate as EMT Ambulances	State grants	If full time government employee	
Pennsylvania	EMS - for vehicles services equipment	State grant funds	Firemen's retirement or full time governmental employee	2% foreign fire insurance premium tax to fund pension for firemen
Rhode Island	EM Transportation, Ambulance Coordinating Board	N/R	Firefighters	
South Dakota	N/R	N/R	No retirement benefits	

STATE	STANDARDS	FUNDING	RETIREMENT	COMMENTS
South Carolina	EMS Standards National Registry of EMT's license - Ambulance require- ment		None - unless Govern- ment employee eligible for Deferred Compensation	
Tennessee	Ambulance Services	County - some State Grants	County Employees	Approximately 104 Volunteer Rescue Squads / Not regu- lated unless ambu- lance service
Texas	No standard for Rescue squads or EM personnel	N/R	Some local programs not under state con- trol/for full time EMS personnel	
Utah	Licensing and training Mobile Paramedics EMT's	N/R	For full time paramedics attached fire departments	
Washington	EMS Standard by State	State, Federal grants - Local Money	EMS is Firefighter in State Retirement System	No benefits for volunteers
West Virginia	EMS Standards by State Board of Health	Totally State funded		
Wisconsin	Department of Health & Social Services man- dated to offer training, examinations, licensing EMT, Ambulances	N/R	If classified as firemen then a "Protective oc- cupation participant" and covered under program	No response on part time volunteers
Wyoming	N/R	N/R	If volunteer firemen	Similar to N.C. Firemen's pension fund

APPENDIX E



TRUSTEES
(EX-OFFICIO)

CHAIRMAN

HENRY L. BRIDGES
State Auditor

JOHN R. INGRAM

Commissioner Of Insurance

CLARA JEAN PITTMAN
Executive Secretary

Tel. No. 733-3275

N. C. FIREMEN'S PENSION FUND

DIVISION

DEPARTMENT OF STATE AUDITOR

116 WEST JONES STREET

RALEIGH, N. C. 27611

TRUSTEES
(APPOINTED)

CARROLL W. HEMPHILL
Marion

HORACE LEE BROWNING, SR.
Greensboro

JOHN P. SYKES
Rocky Mount

Extract copy of minutes of Board Meeting August 19, 1980

DISCUSSION ON THE STUDY BY THE LEGISLATIVE RESEARCH COMMISSION COMMITTEE TO ESTABLISH A RETIREMENT SYSTEM FOR RESCUE SQUAD WORKERS IN NORTH CAROLINA.

Mr. Horace Moore, Executive Secretary, North Carolina State Firemen's Association reminded the Board about the study that was being conducted by the Legislative Research Commission Committee to establish a retirement system for the rescue squad workers in North Carolina. He also informed the Board that this Committee may in some way try to consolidate the rescue squads' retirement with the firemen's. After much discussion on this matter, the following proposed position was adopted by a motion made by Mr. Ingram and seconded by Mr. Browning. The motion was carried unanimously by the Board.

PROPOSED POSITION

The Board of Trustees of the N. C. Firemen's Pension Fund endorses and supports the efforts of the Association of Rescue Squad Workers in seeking legislative approval for the formation of a retirement fund. We believe the contributions made by rescue squad workers should be recognized in a tangible manner by the General Assembly and the public at large.

We do feel, however, that the establishment of such a retirement plan should be completely independent and apart from the N. C. Firemen's Pension Fund and that the funding provisions should in no way affect the integrity of the Firemen's Pension Fund.

CERTIFIED OR TRUE COPY

Henry L. Bridges

Ex Officio Chairman of the Pension Fund Board

APPENDIX F

STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27611



September 11, 1980

The Honorable Rufus L. Edmisten
Attorney General of North Carolina
Justice Building
Morgan Street
Raleigh, North Carolina 27602

Dear Mr. Attorney General:

The Legislative Research Committee on Rescue Squads' Retirement Incentives, in its study of ways to provide encouragement to the rescue squads of this State, is also looking into the coverage of rescue squad members by the "Good Samaritan" statute, G.S. 90-21.14. The Committee understands this statute's relationship to G.S. 20-166(d), and has a copy of the 1976 Attorney General's opinion including Emergency Medical Technicians in the class of health care providers excluded by G.S. 90-21.14(b) from blanket protection for all but gross negligence or intentional wrongdoing when providing health service in a non-motor vehicle emergency in the course of practicing their business or profession. However, the Committee cannot determine what the status of firemen who are also certified Emergency Medical Technicians is under G.S. 90-21.14 and requests an opinion from you declaring what their status is.

The Committee is aware that a superficial, theoretical distinction can be made as to the profession this sort of fireman is practicing when he gives emergency health aid. If he is on duty as a fireman, he is practicing that profession, not that of a health care provider. If he is on duty as a "first provider," by the same token he is practicing a health care profession. But, in practice, almost all fires are, at least in potentia, health-threatening

The Honorable Rufus L. Edmisten

Page 2

September 11, 1980

and a fireman trained as an EMT is going to regard himself, at least in potentia, as a health care provider regardless of how he has signed the duty roster.

Your help with this problem is essential and will be greatly appreciated by the Committee.

Very truly yours,



Sam R. Noble
Cochairman



Bobby R. Etheridge
Cochairman



State of North Carolina

Department of Justice

P. O. Box 629

RALEIGH

27602

October 2, 1980

RUFUS L. EDMISTEN
ATTORNEY GENERAL

The Honorable Sam R. Noble and
The Honorable Bobby R. Etheridge
Cochairmen
Legislative Research Committee on Rescue Squads'
Retirement Incentives
State Legislative Building
Raleigh, North Carolina 27611

Dear Messrs. Noble and Etheridge:

Your letter of 11 September 1980 requesting the opinion of this office as to the application of the "Good Samaritan" statute, G.S. 90-21.14, to firemen who are certified Emergency Medical Technicians has been referred to me for research and response.

As there are no North Carolina cases directly on point, it is necessary to examine the statute's language and purpose. The purpose of G.S. 90-21.14 is to encourage medically trained personnel to assist persons in need of emergency treatment when "course of business or profession" providers are not present. See 46 N.C.A.G. 42. To that end subsection (a) provides that when "course of business or profession" providers are not present persons rendering emergency treatment shall be liable only for acts of gross negligence, wanton conduct or intentional wrongdoing. However, under subsection (b) a person "rendering health care services in the normal and ordinary course of his business or profession" is not afforded such protection.

It is impossible to address in the abstract all of the possible factual situations which may arise. Nonetheless, there seems to be an argument, based upon the statute's language and purpose, that firemen are "course of business or profession" providers, and, therefore, not afforded the statute's protection, when their department has a policy or procedure for providing emergency medical services, or where it holds itself out to the public as being able to provide such services. Conversely, where the public has no valid reason to expect emergency medical services from members of a fire department, it appears that a fireman is not a "course of business or profession" provider just because he is a certified Emergency Medical Technician.

In view of the foregoing the General Assembly in its discretion may wish to consider broadening the coverage of the "Good Samaritan" statute to include firemen who are responding to fire calls.

The Honorable Sam R. Noble and
The Honorable Bobby R. Etheridge
Page 2
October 2, 1980

With highest regard, we are

Very truly yours,

RUFUS L. EDMISTEN
Attorney General

Robert L. Hillman

Robert L. Hillman
Associate Attorney

RLH:lcb

STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION

STATE LEGISLATIVE BUILDING

RALEIGH 27611



September 11, 1980

The Honorable Rufus L. Edmisten
Attorney General of North Carolina
Justice Building
Morgan Street
Raleigh, North Carolina 27602

Dear Mr. Attorney General:

The Legislative Research Commission's Committee on Rescue Squads' Retirement Incentives, of which we are cochairmen, has been involved in a study of rescue squad operations and funding. The question has arisen whether rescue squads organized under Chapter 55A of the General Statutes, "The Non-Profit Corporation Act," may charge and bill patrons for ambulance services provided by the rescue squad when such rescue squad is licensed under G.S. 130-230 to provide ambulance service.

The Committee is most interested in whether there is any impediment to non-profit rescue squads charging for these services, or whether there is a need for specific statutory authority to allow these charges.

Very truly yours,

A handwritten signature in cursive script, reading "Sam R. Noble".

Sam R. Noble
Cochairman

A handwritten signature in cursive script, reading "Bobby R. Etheridge".

Bobby R. Etheridge
Cochairman



State of North Carolina

RUFUS L. EDMISTEN
ATTORNEY GENERAL

Department of Justice

P. O. Box 629
RALEIGH
27602

September 24, 1980

The Honorable Sam R. Noble
The Honorable Bobby R. Etheridge
Co-chairmen
Legislative Research Commission
State Legislative Building
Raleigh, North Carolina 27611

Re: Legislative Research Commission's Committee
on Rescue Squads' Retirement Incentives

Gentlemen:

This is in response to your letter to the Attorney General of September 11 wherein you request an opinion as to "whether rescue squads organized under Chapter 55A of the General Statutes, 'The Nonprofit Corporation Act,' may charge and bill patrons for ambulance services provided by the rescue squad when such rescue squad is licensed under G.S. 130-230 to provide ambulance service." I assume, by your reference to licenses under G.S. 130-230, that you are referring to their operation of vehicles duly inspected and permitted by qualified and duly certified personnel, all in compliance with Article 26 of Chapter 130, and not claimed to be exempt from said article by reason of G.S. 130-234(5).

G.S. Chapter 55A, the Nonprofit Corporation Act, does not prevent corporations created thereunder from charging fees for their services. Such charging is a normal practice of hospitals and other medical care facilities operated by nonprofit corporations. Naturally, a nonprofit corporation may not treat any portion of its income as profit or pay dividends. It may, however, define duties and fix compensation of its officers and agents.

[G.S. 55A-15(a)(4)]. In carrying out the purposes stated in its charter, it may engage in a wide variety of business activities as authorized by G.S. 55A-15(b), which include making contracts and incurring liabilities and having and exercising all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized.


The Honorable Sam R. Noble
The Honorable Bobby R. Etheridge
September 24, 1980

Therefore, the corporate charters of rescue squads such as you refer to should contain sufficient language describing the corporate purpose to include providing such services for compensation. Where this is lacking, the charters should be amended. We see no impediment, from the standpoint of the corporation laws or the laws of this State dealing with ambulances, emergency medical services or rescue squads, to the imposition of charges by these organizations, if they have properly drawn charters and are not in conflict with any valid local ordinance (such as an ordinance granting a franchise for ambulance services as authorized by G.S. 153A-250).

Of course, the General Assembly, in its discretion, could specifically authorize volunteer rescue squads organized as nonprofit corporations to operate ambulances (permitted under Article 26 of G.S. Chapter 130) for compensation and to do other necessary related acts, notwithstanding any other provision of law. Proper legislation in this area could eliminate concerns about the adequacy of corporate charters in this respect.

Very truly yours,

RUFUS L. EDMISTEN
Attorney General


William F. Briley
Assistant Attorney General

WFB:kl

APPENDIX G



TRUSTEES
(EX-OFFICIO)

CHAIRMAN

HENRY L. BRIDGES
State Auditor

JOHN R. INGRAM

Commissioner Of Insurance

CLARA JEAN PITTMAN
Executive Secretary

Tel. No. 733-3275

N. C. FIREMEN'S PENSION FUND

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116 WEST JONES STREET

RALEIGH, N. C. 27611

TRUSTEES
(APPOINTED)

CARROLL W. HEMPHILL
Marion

HORACE LEE BROWNING, SR.
Greensboro

JOHN P. SYKES
Rocky Mount

August 11, 1980

M E M O R A N D U M

TO: T. P. Brendle, Fiscal Research Division

FROM: Clara S. Pittman, Executive Secretary *C.S.P.*
Firemen's Pension Fund - State Auditor's Office

SUBJECT: Cost Data to bring Rescue Squad Volunteers into the Firemen's Pension Fund

In reply to your memorandum dated August 4 concerning the cost data to bring Rescue Squad Volunteers into the Firemen's Pension Fund, below you will find your questions and my answers based on the information that we have in our office.

- (1) What would be the additional annual cost to the State to "Open the Doors" for membership into the Firemen's Pension Fund for a total of 10,000 rescue squad members?

Answer - An additional appropriation of \$1,750,000 annually

- (2) What would be the additional annual cost to the State to increase the monthly benefit check from \$50 to \$100?

Answer - An additional appropriation of \$2,123,240 annually

- (3) What would the additional receipts to the State be to increase the amount of contributions from firemen from \$5 per month to \$10?

Answer - From the members who already participate in the Pension Fund, there would be an extra \$720,000 in receipts.

From the additional 10,000 rescue squad members, there would be an extra \$600,000 in receipts.

Let me remind you again that these figures are my estimates and not the figures of an official actuarial evaluation.

CSP

APPENDIX H

STANDARDS FOR AMBULANCE PERSONNEL AND VEHICLES IN

NORTH CAROLINA

Submitted to
Legislative Research Commission's Committee on
Rescue Squads Retirement Incentives

Criteria for Ambulance Attendant Certification

1. Be at least eighteen (18) years of age.
2. Complete application form.
3. Have a physical examination performed by a physician licensed to practice medicine and a statement signed that applicant is physically fit and free from physical defects or disease which might impair his ability to drive, attend an ambulance patient or operate communications equipment.
4. Present neat, clean appearance.
5. Hold valid drivers license.
6. Complete Ambulance Attendant Course approved by NCOEMS of at least 30 hours.
7. Successfully complete written examination.

Criteria for Emergency Medical Technician Certification

1. Be at least eighteen (18) years of age.
2. Complete application form.
3. Have a physical examination performed by a physician licensed to practice medicine and a statement signed that applicant is physically fit and free from physical defects or disease which might impair his ability to drive, attend an ambulance patient or operate communication equipment.
4. Suitable character and temperment.
5. Present neat, clean appearance.
6. Complete EMT course approved by NCOEMS of at least 81 hours.
7. Successfully complete written examination.
8. Successfully complete practical examination.

Standards for Operation of Ambulance Vehicle

Any person, firm, corporation or association desiring to engage in the business or service of transporting patients must have a valid permit for each ambulance issued by the Department of Human Resources. To obtain such a permit the registered owner must apply to the Department and meet the standards established by the Medical Care Commission. These standards include:

1. Minimum equipment requirements.
2. Sanitation requirements.
3. Design requirements.

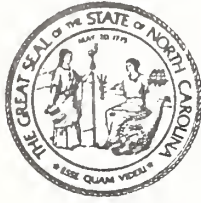
Submitted by:

Office of Emergency Medical Services
Division of Facility Services
Department of Human Resources

July 9, 1980

APPENDIX I

NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE SERVICES OFFICE
2129 STATE LEGISLATIVE BUILDING
RALEIGH 27611



JOHN L. ALLEN, JR.
LEGISLATIVE SERVICES OFFICER
GEORGE R. HALL, JR.
ADMINISTRATIVE OFFICER
FRANK R. JUSTICE
DIRECTOR OF FISCAL RESEARCH
TERRENCE D. SULLIVAN
DIRECTOR OF RESEARCH
CLYDE L. BALL
DIRECTOR OF LEGISLATIVE DRAFTING

October 14, 1980

LEGISLATIVE SERVICES OFFICE
TELEPHONE: 733-7044
FISCAL RESEARCH DIVISION
TELEPHONE: 733-4910
LEGISLATIVE DRAFTING DIVISION
TELEPHONE: 733-6660

MEMORANDUM

TO: Winston Page, Counsel
Rescue Squads' Retirement Committee

FROM: Dave Crotts, Senior Fiscal Analyst
Fiscal Research Division

SUBJECT: Revenue Estimate

Below are estimates of the additional General Fund tax revenue that would be generated for the 1981-82 fiscal year if the gross premiums tax on various lines of insurance were increased by 1% during the 1981 legislative session:

<u>Accident & Health</u>	<u>Current Rate</u>	<u>Additional Revenue</u>	
Domestic	1.5%	\$1.75 Mil.	
Foreign	2.5	5.85	
Hospital & Dental	.33	5.21	\$12.81
<u>Life</u>			
Domestic	1.5%	\$2.61	
Foreign	2.5	9.17	\$11.78
<u>Auto</u>			
Domestic	1.0%	\$4.10	
Foreign	2.5	4.70	\$ 8.80
			\$33.39

The estimated 1981-82 revenue from these lines is \$62.2 million. Thus, an across-the-board tax rate increase of 1% would represent a 54% tax increase. These figures are based on actual 1979 calendar year premium volume, adjusted upward by 15% for the two years of growth.

The additional license and fee revenue that would be generated from an additional \$1 fee for the purchase of automobile license plates would be \$3.4 million. The additional revenue from all other vehicles would be \$1.8 million.

DFC:sg

NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE SERVICES OFFICE
2129 STATE LEGISLATIVE BUILDING
RALEIGH 27611



JOHN L. ALLEN, JR.
LEGISLATIVE SERVICES OFFICER
GEORGE R. HALL, JR.
ADMINISTRATIVE OFFICER
FRANK R. JUSTICE
DIRECTOR OF FISCAL RESEARCH
TERRENCE D. SULLIVAN
DIRECTOR OF RESEARCH
CLYDE L. BALL
DIRECTOR OF LEGISLATIVE DRAFTING

October 30, 1980

LEGISLATIVE SERVICES OFFICE
TELEPHONE: 733-7044

FISCAL RESEARCH DIVISION
TELEPHONE: 733-4910

LEGISLATIVE DRAFTING DIVISION
TELEPHONE: 733-6660

MEMORANDUM

TO: Winston Page, Counsel
Committee on Rescue Squads' Retirement
Legislative Research Commission

FROM: Dave Crotts, Senior Fiscal Analyst *DC*
Fiscal Research Division

SUBJECT: Insurance Tax Proposal

Based on premium volume data furnished by the Financial Analysis Division of the Department of Insurance for the 1979 calendar year, and an assumption of 15% growth in premium volume from 1979 to 1981, the estimated additional General Fund tax revenue for 1981-82 from an increase of $\frac{1}{2}\%$ in the tax rate on automobile insurance is \$.2 million for domestic insurers and \$2.35 million for foreign companies, for a total of \$2.55 million.

DC:djb

APPENDIX J

A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS CONCERNING EMERGENCY HEALTH CARE TREATMENT IN ORDER TO CLARIFY THEIR APPLICABILITY TO GOOD SAMARITAN LAW PROTECTION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-21.14(b) is amended by adding a new sentence to the end to read:

"For the purposes of this subsection, the activities of members of rescue squads, the activities of members of ambulance services, and the activities of certified Emergency Medical Technicians do not constitute a business or profession, and the provisions of subsection (a) apply to any person who renders first aid or emergency health care treatment in his or her capacity as a member of a rescue squad, ambulance service or as a certified Emergency Medical Technician."

Sec. 2. This act is effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO PROVIDE GOOD SAMARITAN LAW PROTECTION FOR CERTAIN FIREMEN WHO ARE CERTIFIED EMTs.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-21.14 (b) is amended by adding a new sentence to the end to read:

"For the purposes of this subsection, the activities of firemen who are certified Emergency Medical Technicians and who are responding as firemen to a fire call do not constitute a business or profession, and the provisions of subsection (a) apply to any fireman who is certified Emergency Medical Technician who, in responding as a fireman to a fire call, renders first aid or emergency health care treatment."

Sec. 2. This act is effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO PROVIDE GOOD SAMARITAN LAW PROTECTION FOR CERTAIN FIREMEN WHO ARE CERTIFIED EMTs.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-21.14(b) is amended by adding a new sentence to the end to read:

"For the purposes of this subsection, the activities of firemen who are certified Emergency Medical Technicians and who are operating out of a fire station do not constitute a business or profession, and the provisions of subsection (a) apply to any fireman who is a certified Medical Technician who renders first aid or emergency health care treatment in his or her capacity as a fireman or as an Emergency Medical Technician operating out of a fire station."

Sec. 2. This act is effective upon ratification.

APPENDIX K

SESSION 197

INTRODUCED BY:

Legislative Proposal I

Referred to:

1 A BILL TO BE ENTITLED AN ACT TO ESTABLISH THE NORTH CAROLINA
2 RESCUE SQUAD PENSION FUND.

3 The General Assembly of North Carolina enacts:

4 Section 1. Chapter 118 of the General Statutes is
5 amended by adding a new article to read:

6 "Article 4.

7 North Carolina Rescue Squad Pension Fund.

8 "§ 118-40. Fund established; administration by board of
9 trustees; rules and regulations. -- For the purpose of furthering
10 the general welfare and police powers and obligations of the State
11 with respect to the protection of all its citizens from the
12 untoward consequences of injury by serious accident or illness
13 on the highways, at work or at home by encouraging the rescue
14 squads of this State to continue their vital service to the State,
15 of increasing the potential of rescue squads organizations and
16 groups, of fostering increased and more widely spread training
17 of personnel of rescue squads, organizations and groups, and of
18 providing incentive and inducement to participate in rescue squad
19 activities and for the establishment of new, improved or extended
20 rescue squads, organizations and groups to the end that
21 ultimately all areas of the State and all of its citizens will
22 receive the benefits of rescue squads' activity, and in
23 recognition of the public service rendered to the State of
24 North Carolina and its citizens by "eligible rescue squad

SESSION 197__

1 workers," as hereinafter defined, there is created in this State a
2 fund to be known and designated as "The North Carolina Rescue
3 Squad Pension Fund" and it shall be administered as set forth in
4 this Article.

5 The North Carolina Rescue Squad Pension Fund is established to
6 provide pension allowances and other benefits for eligible rescue
7 squad workers in the State who elect to become members of the Fund
8 as hereinafter provided.

9 "§118-41. Creation and membership of board of trustees;
10 compensation. -- There is created a board to be known as the
11 "Board of Trustees of the North Carolina Rescue Squad Pension
12 Fund." The board shall consist of five members, namely:

- 13 (1) The State Auditor, who shall act as chairman.
- 14 (2) The Secretary of Human Resources or his designee'.
- 15 (3) Three members to be appointed by the Governor, one
16 a paid rescue squad worker, a volunteer rescue
17 squad worker and one representing the public at
18 large, for terms of four years each. These members
19 may succeed themselves.

20 No member of the board of trustees shall receive any salary,
21 compensation or expenses other than that provided in G.S. 138-5
22 for each day's attendance at duly and regularly called and held
23 meetings of the board of trustees.

24 "§118-42. Powers and duties of board of trustees. -- The
25 board of trustees shall request appropriations out of the general
26 fund for administrative expenses and to provide for the financing
27 of this pension fund, employ necessary clerical assistance,
28 determine all applications for pensions, provide for the payment

SESSION 197

1 of pensions, make all necessary rules and regulations not
2 inconsistent with law for the government of this fund, prescribe
3 rules and regulations of eligibility of persons to receive pensions,
4 expend funds in accordance with the provisions of this Article,
5 and generally exercise all other powers necessary for the
6 administration of the fund created by this Article.

7 "§118-43. Secretary. -- There is created an office to be known
8 as secretary of the North Carolina Rescue Squad Pension Fund. He
9 shall be named by the Board of Trustees of the North Carolina
10 Rescue Squad Pension Fund and shall serve at its pleasure. The
11 secretary shall be subject to the provisions of the State Personnel
12 Act. The secretary shall be bonded in such amount as may be
13 determined by the board, and he shall promptly transmit to the
14 State Treasurer all moneys collected by him, which moneys shall
15 be deposited by the State Treasurer in the fund.

16 "§118-44. State Treasurer to be custodian of fund, appro-
17 priations; contributions to fund; expenditures. -- The State
18 Treasurer shall be the custodian of the North Carolina Rescue
19 Squad Pension Fund and shall invest its assets in accordance
20 with the provisions of G.S. 147-69.2 and 147-69.3. The appro-
21 priations made by the General Assembly out of the general fund
22 to provide money for administrative expenses shall be handled
23 in the same manner as any other general fund appropriation. One
24 fourth of the appropriation made out of the general fund to
25 provide for the financing of the pension fund shall be transferred
26 quarterly to a special fund to be known as the North Carolina
27 Rescue Squad Pension Fund. There shall be set up in the State
28 Treasurer's Office a special fund to be known as the North

SESSION 197

1 Carolina Rescue Squad Pension Fund, and all contributions made
2 by the members of this pension fund shall be deposited in the
3 special fund. All expenditures for refunds, investments or
4 benefits shall be in the same manner as expenditures of other
5 special funds.

6 "§118-45. "Eligible rescue squad worker" defined; determination
7 and certification of eligibility. -- "Eligible rescue squad workers"
8 means any member of a rescue squad who is eligible to receive a
9 death benefit available under the Law Enforcement Officers',
10 Firemen's Rescue Squad Workers' and Civil Air Patrol Members'
11 Death Benefits Act, Article 12A of Chapter 143 of the General
12 Statutes.

13 The State Auditor shall certify annually, by January 1 of
14 each year, to the Board of Trustees of the North Carolina Rescue
15 Squad Pension Fund, a list of those rescue squad workers eligible
16 to receive the death benefit.

17 "Eligible rescue squad worker" does not mean "eligible fireman"
18 as defined by G.S. 118-23, nor may an "eligible rescue squad
19 worker" qualify also as an "eligible fireman" in order to receive
20 benefits available under both Articles 3 and 4 of Chapter 118 of
21 the General Statutes.

22 "§118-46. -- Application for membership in fund; monthly
23 payments by members; payments credited to separate accounts of
24 members. -- Those rescue squad workers who are now eligible may
25 make application to the Board of Trustees of the North Carolina
26 Rescue Squad Pension Fund within 24 months of the establishment of
27 the fund. All persons who subsequently become rescue squad
28 workers may make application for membership in the fund within

SESSION 197

1 12 months from the date of becoming eligible rescue squad workers.
2 Each eligible rescue squad worker becoming a member of the fund
3 shall pay the secretary of the board of trustees the sum of five
4 dollars (\$5.00) per month. A rescue squad worker who, on the
5 date of the establishment of the fund, has service as a rescue
6 squad worker, may make a lump sum payment of five dollars per
7 month for each month since becoming an eligible rescue squad
8 worker as defined by G.S. 118-45, for as many as 180 months,
9 together with interest at an annual rate of six percent (6%).

10 The monthly payments shall be credited to the separate account
11 of the member and shall be kept by the custodian so it is avail-
12 able for payment on withdrawal from membership or retirement.

13 "§118-47. Monthly pensions. -- Any member who has served 20
14 years as a rescue squad worker in the State of North Carolina,
15 who has been an "eligible rescue squad worker" for two years
16 immediately preceding his application for the payment of a pension
17 as provided in G.S. 118-45, and who has attained the age of
18 55 years is entitled to be paid a monthly pension from the
19 fund. The monthly pension shall be in the amount of seventy-five
20 dollars (\$75.00) per month.

21 Any member who has served 20 years as a rescue squad worker
22 in the State of North Carolina, who has been an "eligible rescue
23 squad worker" for two years immediately preceding his application
24 for the payment of a pension as provided in G.S. 118-45, and who
25 has not attained the age of 55 years must continue to make monthly
26 payments of five dollars (\$5.00) until he has made these payments
27 for a total period of 20 years or until he reaches 55 years of
28 age, whichever first occurs.

SESSION 197

1 No person shall receive a pension prior to July 1, 1986, but
2 those persons eligible and retiring prior to the date who have
3 paid into the fund five dollars (\$5.00) per month for a period of
4 not less than 12 months, or sixty dollars (\$60.00), whichever
5 first occurs, is entitled to a pension in the amount of seventy-
6 five dollars (\$75.00) per month.

7 Any member who is totally and permanently disabled while in the
8 discharge of his official duties as a result of bodily injuries
9 sustained or as a result of extreme exercise or extreme activity
10 experienced in the course and scope of his official duties and who
11 leaves rescue squad service because of this disability shall be
12 entitled to be paid from the fund a monthly benefit in an amount
13 of seventy-five dollars (\$75.00) per month beginning the first
14 month after his fifty-fifth birthday. All disability benefits
15 are subject to the approval of the board of trustees who may
16 appoint physicians to examine and evaluate the disabled member
17 at least once a year. Any disabled member shall not be required
18 to make a monthly payment of five dollars (\$5.00) as required by
19 G.S. 118-46.

20 The pension provided for shall be in addition to all other
21 pensions or benefits provided for under any other statutes of
22 the State of North Carolina or the United States, except for the
23 pension available to "eligible firemen" offered by the North
24 Carolina Firemen's Pension Fund, Article 3, Chapter 118 of the
25 General Statutes.

26 "§118-48. Payments in lump sums. -- The Board of Trustees
27 of the North Carolina Rescue Squad Pension Fund shall direct
28 payment in lump sums from the fund in the following cases:

(1) To any rescue squad worker upon the attaining of the age of 55 years, who, for any reason, is not qualified to receive the monthly retirement pension and who was enrolled as a member of the fund, an amount equal to the amount paid into the fund by him; provided this provision shall not be construed to preclude any active rescue squad worker from completing the requisite number of years of active service after attaining the age of 55 years as may be necessary to entitle him to the pension.

(2) If any rescue squad worker dies before attaining the age at which a pension is payable to him under the provisions of this Article, there shall be paid to his widow, or if there be no widow, to the person responsible for his child or children, or, if there be no widow or children, then to his heirs at law as may be determined by the board of trustees or to his estate, if it is administered and there are no heirs, an amount equal to the amount paid into the fund by the rescue squad worker.

(3) If any rescue squad worker dies after beginning to receive the pension, and before receiving an amount equal to the amount paid into the fund by him, there shall be paid to his widow, or if there be no widow, then to the person responsible for his child or children, or if there be no widow or children, then to his heirs at law as may be determined by the board of trustees, or to his estate, if it is administered and there are no

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heirs, an amount equal to the difference between the amount paid into the fund by the rescue squad worker and the amount received by him as a pensioner.

(4) Any member withdrawing from the fund shall, upon proper application, be paid all moneys the individual contributed to the fund, provided, if all or any part of the moneys contributed to the fund with respect to the member shall have been paid by any person firm or corporation other than the member and notification of such action shall have been made to the board of trustees at the time of said contribution and each of them, then, upon proper application, by the other person, firm or corporation, the moneys contributed to the fund shall be paid to such other person, firm or corporation originally contributing the same, upon the withdrawal of the member.

"§118-49. Pro rata reduction of benefits when fund insufficient to pay in full. -- If, for any reason, the fund created and made available for any purpose covered by this Article shall be insufficient to pay in full any pension benefits, or other charges then all benefits or payments shall be reduced pro rata for such time and in such amount as such deficiency exists; provided, no claim shall accrue with respect to any amount by which pension or benefit payments shall have been so reduced.

"§118-50. Provisions subject to future legislative change. These pensions shall be subject to future legislative change or revision, and no member of the fund, or any person, shall be deemed to have acquired any vested right to any pension or other payment provided.

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1 "§118-51. Determination of creditable service; information
2 furnished by applicants for membership. -- The Board of Trustees
3 shall fix and determine by appropriate rules and regulations the
4 number of years' credit for service of rescue squad workers.
5 Rescue squad workers who are now serving as such shall furnish
6 the board with information upon applying for membership as to
7 previous service.

8 "§118-52. Length of service not affected by serving in
9 more than one rescue squad; transfer from one rescue squad to
10 another. A rescue squad worker's length of service shall not be
11 affected by the fact that he may have served with more than one
12 rescue squad, and upon transfer from one rescue squad to another,
13 notice of the fact shall be given to the board.

14 "§118-53. Effect of member being six months delinquent in
15 making monthly payments. Any member who becomes six months
16 delinquent in making monthly payments as required by G.S. 118-46
17 of this Article by the tenth of the month forfeits his membership
18 in the fund.

19 "§118-54. Exemption of pensions from attachment; rights
20 nonassignable. -- The pensions provided are not subject to
21 attachment, garnishments or judgments against the rescue squad
22 worker entitled to them, nor are any rights in the fund or the
23 pensions or benefits assignable nor are the pensions subject to
24 any State or municipal tax."

25 Sec. 2. Article 3 of Chapter 143A is amended by adding
26 a new section to read as follows:

27 "G.S. 143A-27A. North Carolina Rescue Squad Pension Fund;

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1 transfer. -- The North Carolina Rescue Squad Pension Fund, as
2 contained in Article 4 of Chapter 118 of the General Statutes
3 is hereby transferred by a type II transfer to the Department
4 of State Auditor.

5 Sec. 3. (Appropriation.)

6 Sec. 4. This act shall become effective July 1, 1981.

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INTRODUCED BY:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE INSURANCE COMPANIES' GROSS PREMIUMS
3 TAX ON AMOUNTS COLLECTED FOR AUTOMOBILE COVERAGE.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 105-228.5 is amended by
6 changing the words "shall be" to the word "is" in the
7 eleventh paragraph and by inserting the following para-
8 graph between the eleventh and twelfth paragraphs:
9 "The amounts collected on contracts of insurance
10 for automobile coverage, a tax at the rate of one-half
11 percent ($\frac{1}{2}\%$). This tax is in addition to all other
12 taxes imposed by G.S. 105-228.5".
13 Sec. 2. This act shall become effective
14 July 1, 1981.
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